

REPORT NO

## CD NO.

East Germany

631218

DATE DISTR 24 June 1954

DNZ Chemie Investment Fund

NO. OF PAGES 1

25X1A

NO. OF ENCLS.  
(LISTED BELOW)

25X1C

**SUPPLEMENT TO  
REPORT NO.**

THIS IS UNEVALUATED INFORMATION

**SOURCE**

25X1X

1. The 1954 DEZ Chemie investment fund has been cut from 2,800,000 DME as originally planned to 800,000 DME, which is considered far short of the real needs for the expansion, purchase or repair of technical equipment, the construction, purchase or repair of storage space, and the maintenance of the 12 branch offices (Zweigniederlassungen).
2. Aside from the general shortage of funds and the prevailing economy measures, pertinent Ministry officials believe that another reason for this drastic cut is the fact that DEZ Chemie comes under the jurisdiction of the Ministry for Heavy Industry and that in line with the "New Course" this Ministry's funds were arbitrarily cut to put the emphasis on so-called consumer goods. It is speculated that if DEZ Chemie were under the jurisdiction of the Ministry for Light Industry, budget cuts, if any, would be much smaller.

**CLASSIFICATION SECRET**

CLASSIFICATION SECRET									
STATE #		NAVY		NSRB		DISTRIBUTION			
ARMY #		AIR #		FBI					

25X1

25X1A